

# **EXHIBIT 10 (Part 1 of 5)**

**FILED UNDER SEAL**



**Q4 Board of Directors Meeting**  
**October 24, 2017 8:00am-3:15pm**  
**Location: Varsity Brands Offices 4849 Alpha Rd Dallas TX**

**Board Meeting**

Topic	Owner	Duration	Time
Opening Remarks	Adam Blumenfeld	5 min	8:00-8:05
MOR High Level Review/2018 Financial Outlook	Rick Paschal/BU CFOs	40 min	8:05-8:45
Strat Plan 2.0	Adam Blumenfeld	30 min	8:45-9:15
IMPACT—the next evolution	John Newby	45 min	9:15-10:00
Break		15 min	10:00-10:15
Varsity Spirit organic sales deep dive	Bill Seely	45 min	10:15-11:00
VS International	Jeff Webb	15 min	11:00-11:15
Break-Lunch		30 min	11:15-11:45
BSN Sports organic sales deep dive	Terry Babilla	60 min	11:45-12:45
Herff Jones organic sales deep dive and other matters	Jeff Drees	75 min	12:45-2:00
Legal and Compliance Update	Burton Brillhart	15 min	2:00-2:15
Executive Session (including Talent 4x4s)	Board plus JM	60 min	2:15-3:15

**VARSITY // BRANDS**

# BOARD OF DIRECTORS

**DALLAS, TX**

**OCTOBER 24, 2017**

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**IMPACT**  
PROGRAM

## TOPICS:

- Integrated Customer Database / Salesforce.com
- Program to Date and Key Metrics Update
- IMPACT Case for Growth
- Status Update on Current Priorities
- Conclusion



## IMPACT OVERVIEW



# IMPACT forms powerful partnerships with schools to provide customized solutions

- IMPACT builds customer loyalty with schools and delivers our “Why” – *Elevating Student Experiences*
- The program connects our three Divisions at the highest level of the school / district and provides visibility into our penetration across every school in America
- Offer schools value-add products and programs, such as VIP Branding
- In exchange, we ask IMPACT schools to partner with us for 3 years in Sport, Spirit and Achievement



## IMPACT RESULTS SUMMARY



**IMPACT has grown substantially from 2016 to 2017 in wins and revenue realized**

	2016	2017 Fcst	Variance
Wins (3-Year)	\$60.2M	\$82.3M	+37%
Incremental Revenue*	\$16.0M	\$29.5M	+84%
YOY Revenue	\$11.4M	\$13.5M	+18%

**When compared to budget, IMPACT is over-delivering on wins, but is slightly below on realized revenue**

	2017 Budget	2017 Fcst	Variance
Wins (3-Year)	\$64.5M	\$82.3M	+28%
Incremental Revenue*	\$30.4M	\$29.5M	-3%
YOY Revenue	\$14.4M	\$13.5M	-6%

\* Approximately 83% of Wins are realized in incremental revenue based on customers not keeping commitments and breakage; refer to page 37 for definitions

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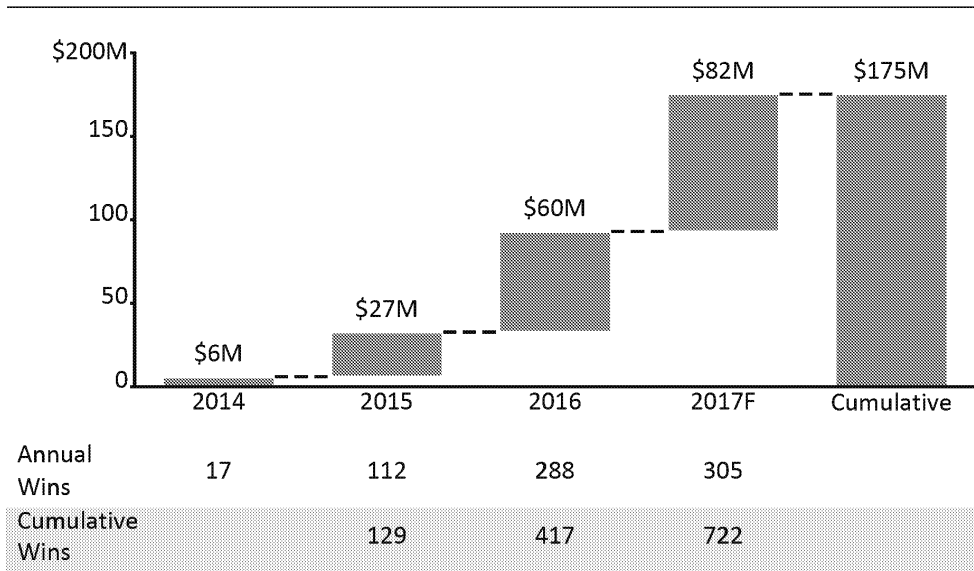
## PROGRAM TO DATE WINS AND INCREMENTAL REVENUE



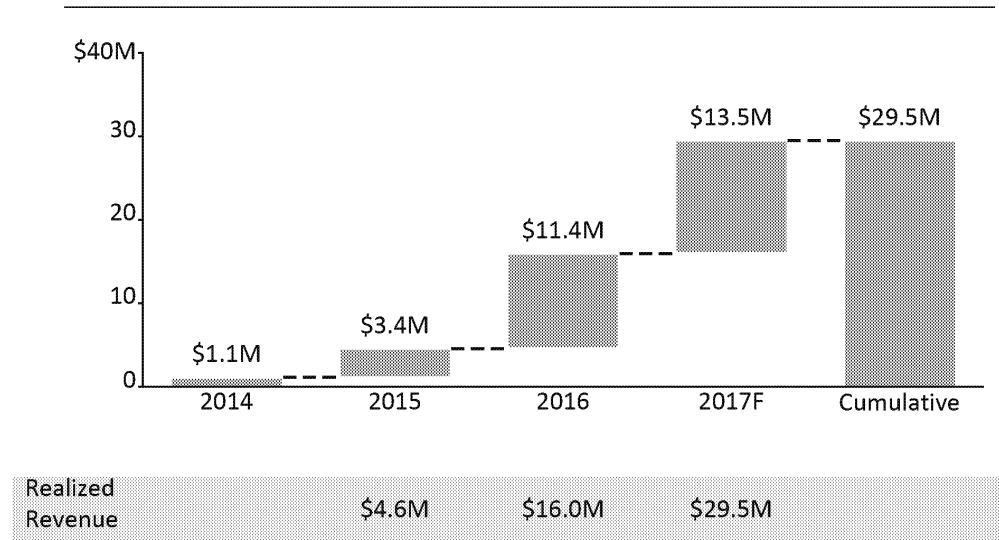
### Key Messages:

- Wins have steadily grown Year-over-Year and are forecasted to be ~\$82 million this year
- Realized incremental revenue continues to ramp

**Wins: 3-Year Value (\$M)**




**Incremental YOY Revenue (New + Renewal, \$M)**



**Note:**

- 1) The long term value of the agreements detailed above are computed for 3 years, however, some agreements stretch to 5 years.
- 2) Totals exclude At-Risk Wins.

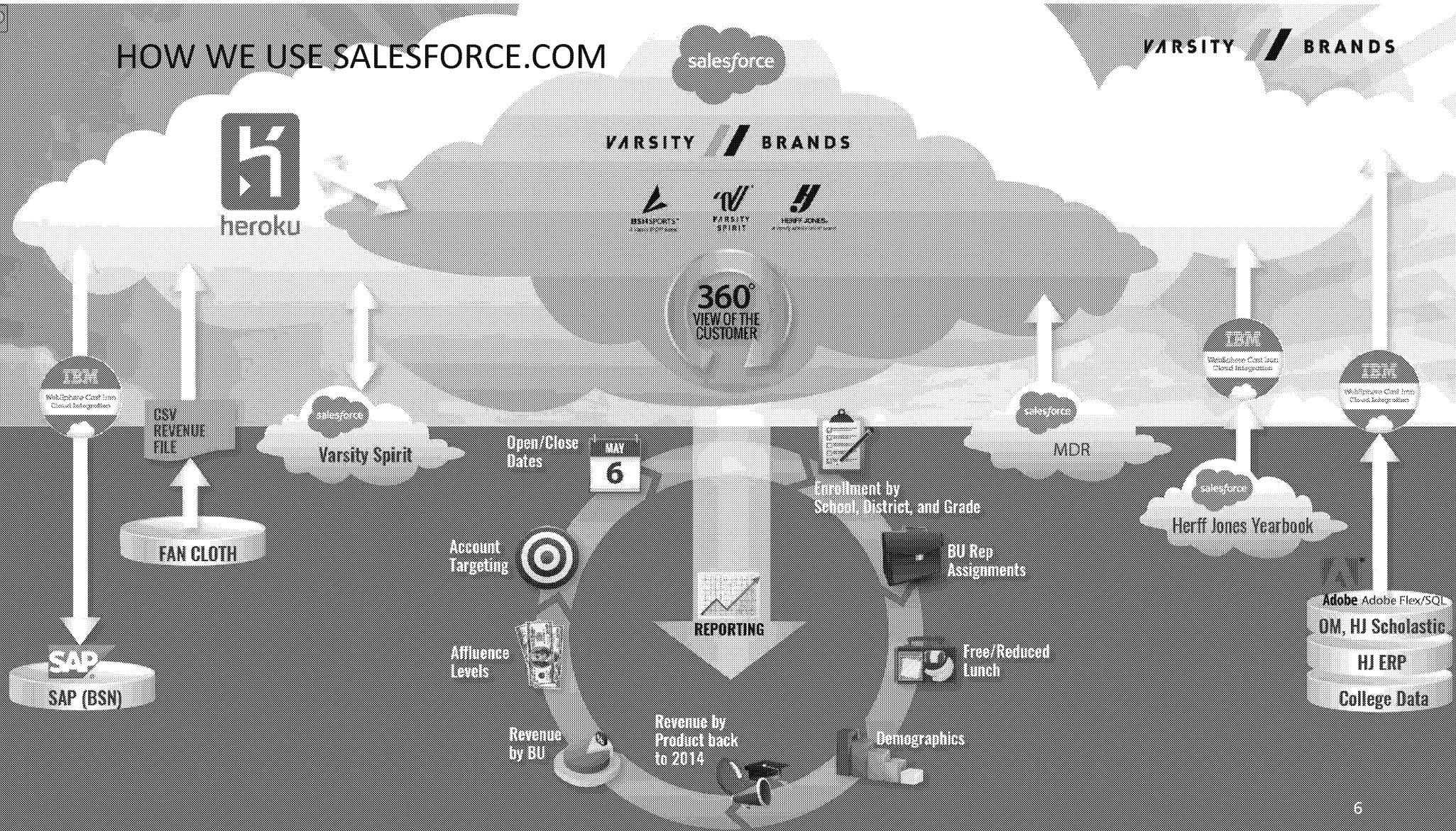
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INTEGRATED CUSTOMER DATABASE /  
SALESFORCE.COM

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## THE VARSITY BRANDS DATABASE



### Current State Database Usage (for IMPACT)

- Prioritize accounts / targets
- Manage opportunity pipeline: leads, presentations, closed wins
- Manage activities and tasks
- Communicate wins and performance versus expected to BU field leadership
- Measure IMPACT Director productivity and performance

### Future State Database Usage (for all of Varsity Brands)

- Create targeted campaigns by school by product to capitalize on cross-selling opportunities
- Share customer contacts and Sales Reps across BUs for lead generation support (approach to ensure appropriate controls)
- Communication and collaboration across Business Units
- Utilize Team Art Locker mascots with 1:1 marketing email campaigns for all BUs



## TARGETING ANALYSIS OVERVIEW

**VARSITY**  **BRANDS**

- Each school is assigned a maximum of 100 points allocated among 4 key metrics
- The ideal IMPACT school has:
  - High enrollment
  - Large BU upside compared to similar accounts
  - Strong existing rep relationships
  - Students with discretionary income
- Targeting data combined with field knowledge provides territory plan account lists



### Business Rule Summary

Metric	Max Points	Business Rule Overview
<b>Enrollment</b>	30	<ul style="list-style-type: none"> <li>▪ Higher enrollment is better</li> <li>▪ Split by public and private school type</li> </ul>
<b>BU Upside</b>	30	<ul style="list-style-type: none"> <li>▪ Schools bucketed based on enrollment (split by public / private)</li> <li>▪ High water sales threshold established within each bucket for each BU</li> <li>▪ Upside calculated as difference between current sales and high water mark</li> </ul>
<b>Existing Relationships</b>	30	<ul style="list-style-type: none"> <li>▪ Points assigned for rep coverage from each BU</li> <li>▪ Points are additive and increase with multiple relationships</li> </ul>
<b>Discretionary Income</b>	10	<ul style="list-style-type: none"> <li>▪ Higher % of upper income household students is better</li> <li>▪ Indicator of discretionary income for purchases</li> </ul>
<b>Total</b>	<b>100</b>	

## TERRITORY PLANNING OVERVIEW

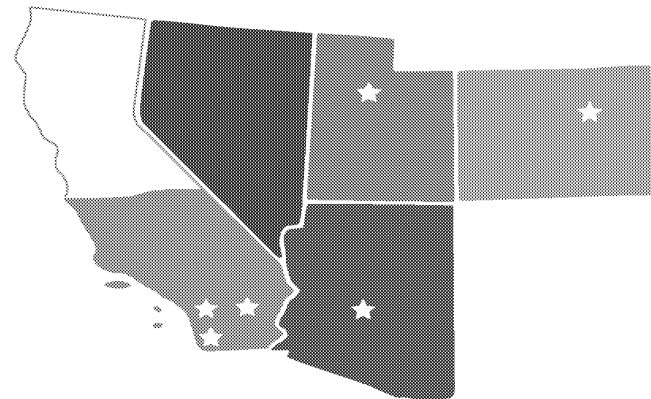


Each of the 12 IMPACT Directors has built their annual strategic plans leveraging the integrated Varsity Brands database

### Topics Included in IMPACT Direct "Territory Plans"

- Prioritized Target Accounts
- Customer Engagement Plan of Action
- SWOT Analysis
- ILT Candidates
- Groundswell Events
- Top Conventions and Conferences
- New Schools
- Open Opportunities
- Renewal Plan
- By Targeted Area:
  - Varsity Brands / BU Team Overview
  - Biggest Opportunities
  - Major Competitors
  - Key Assets
  - Tools / Resources Needed

### Lee Tousignant Territory Assessment Example



#### Targeted Areas

Denver, CO  
Phoenix, AZ  
Salt Lake City, UT  
SoCal: Inland Empire,  
Orange County and  
San Diego



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## PROGRAM TO DATE & KEY METRICS UPDATE

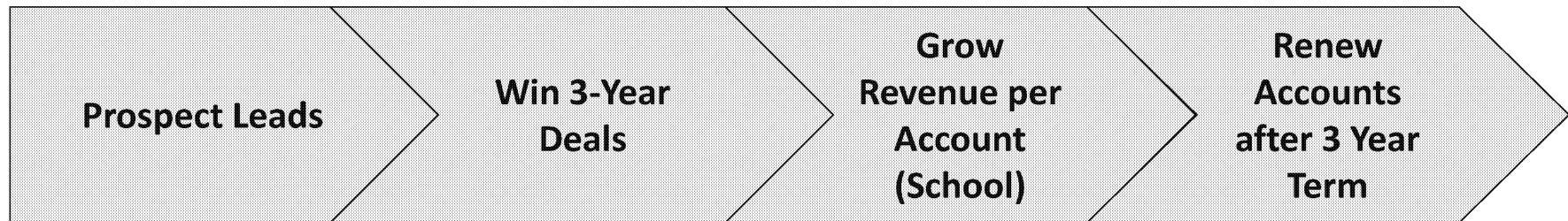


## IMPACT REVENUE: KEY METRICS



### Key Messages:

- To date, IMPACT has focused primarily on lead generation and wins
- Going forward, IMPACT will continue to drive additional wins with added focus on driving same school account growth and renewals



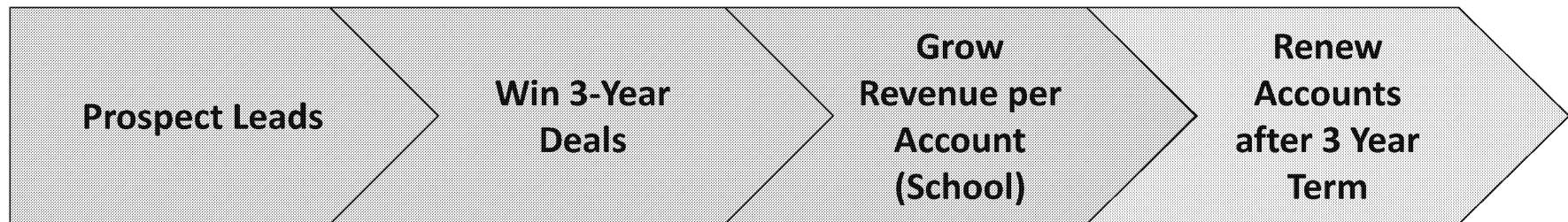
### Key Metrics:

- |                                       |                                 |  |   |
|---------------------------------------|---------------------------------|--|---|
| • # of Leads                          | • Total # Wins                  | • Additional # of BUs and Sports / Products added per Account per year | • Renewal rates from Year 3 to 4              |
| • # of Presentations                  | • Win Value per Impact Director | • Annual revenue growth for each BU per Account                        | • Year 4 revenue growth for retained accounts |
| • Lead to Presentation conversion (%) | • Average 3-year Win value      |  |   |
| • Presentation to Win conversion (%)  | • BU revenue mix per Win (%)    |  |   |

## IMPACT REVENUE: KEY METRICS RESULTS TO DATE (2017 YTD VS. 2016 YTD)

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How are we winning new accounts? What happens when we do?

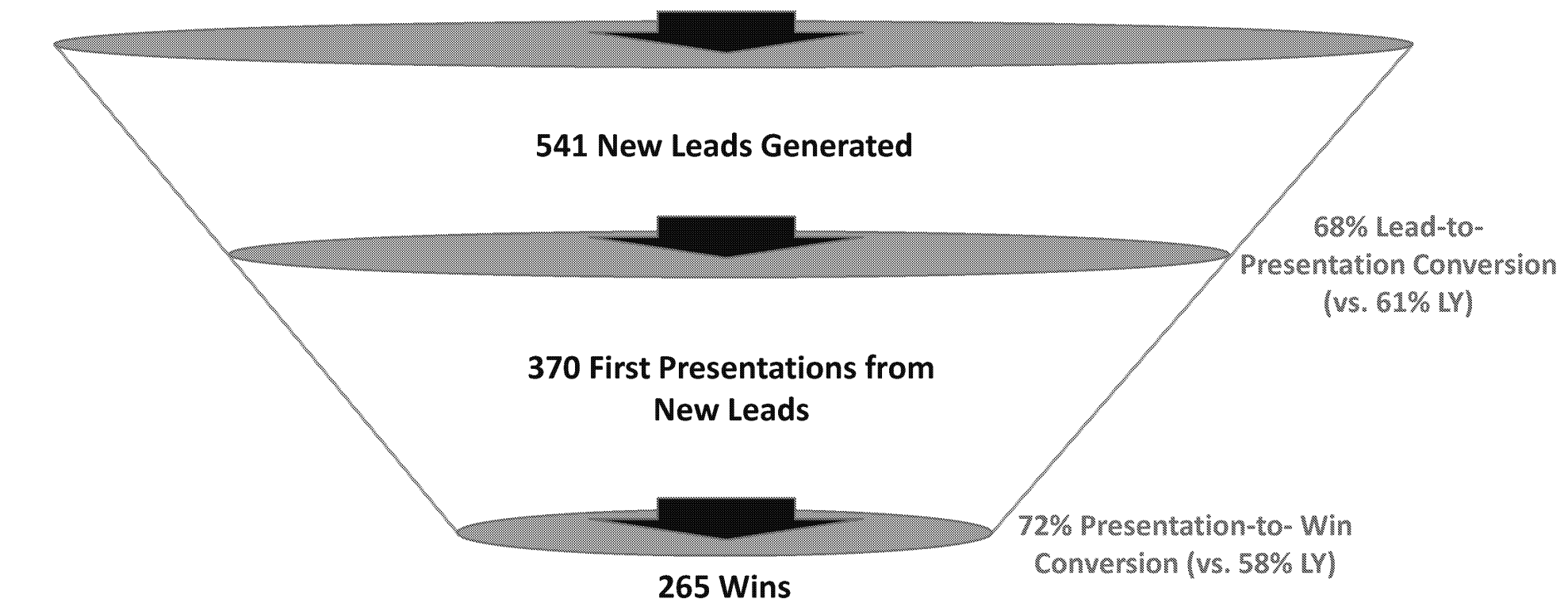


### Results:

- Increased Lead-to-Presentation conversion from **61% to 68%**
- Increased Presentation-to-Win conversion from **58% to 72%**
- Forecasting **305 wins vs. 270 LY**
- Impact Directors increasing annual value of deals sold from **\$1.0M to \$2.7M from Year 1 to 3**
- Forecasting increase in average total deal value from **\$223K to \$270K** from 2016 to 2017
- Same school accounts growing **~35% per year** after the first year
  - Growing # of Business Units from **2.0 to 3.2 (Year 0 to 3)**
  - Growing the number of sports / products / activities from **14 to 22 (Year 0 to 3)**
- Renewal and Year 4 growth rates will be available in 2018*

Note: all metrics compare 2017 to 2016 results, unless otherwise noted

## PROSPECT LEADS

VARSITY  BRANDS**Leads are turning into wins and our conversion rates are increasing****Sales Cycle (2017 YTD)<sup>(1)</sup>**

(1) Lead, Presentation and Win metrics included for New Leads generated in 2017; additional Leads, Presentations and Wins generated from pre-2017 leads



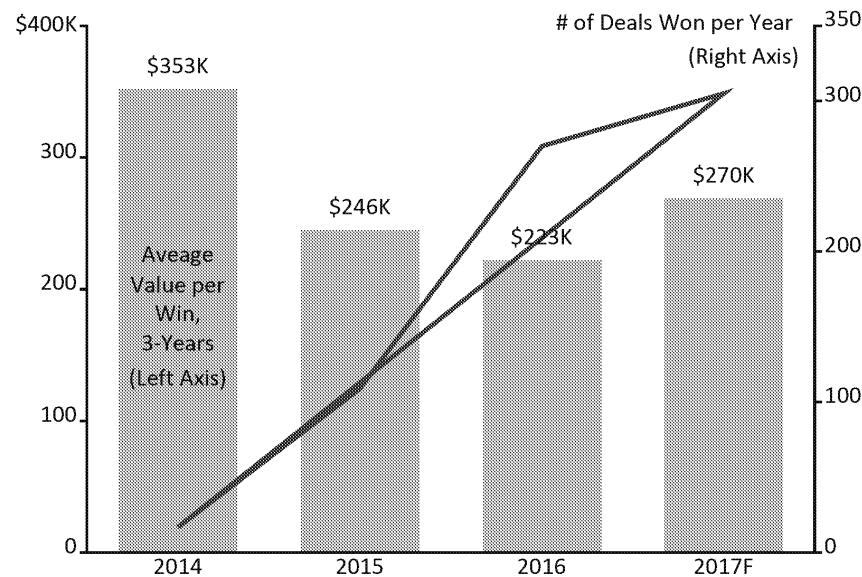
## WIN 3-YEAR DEALS



### Key Messages:

- IMPACT continues to ramp up new wins each year with over 300 expected this year
- Deal value is rebounding in 2017 as a result of improved planning and targeting

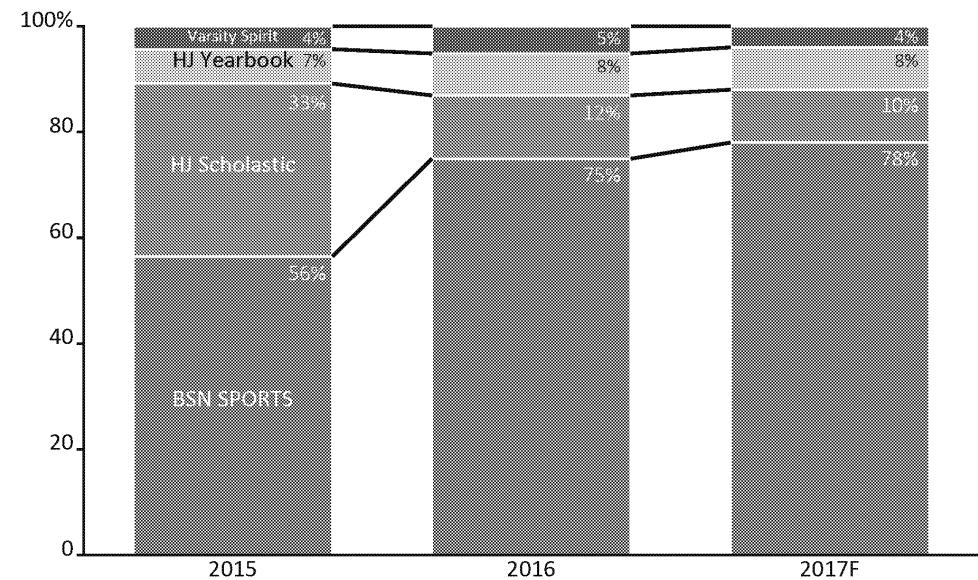
**Average Deal Value and Wins per Year**



Total Win Value,  
3-Years (\$M)

Year	Total Win Value (\$M)
2014	\$6.0M
2015	\$26.8M
2016	\$60.2M
2017F	\$82.3M

**Business Mix of Deals Sold by Year**

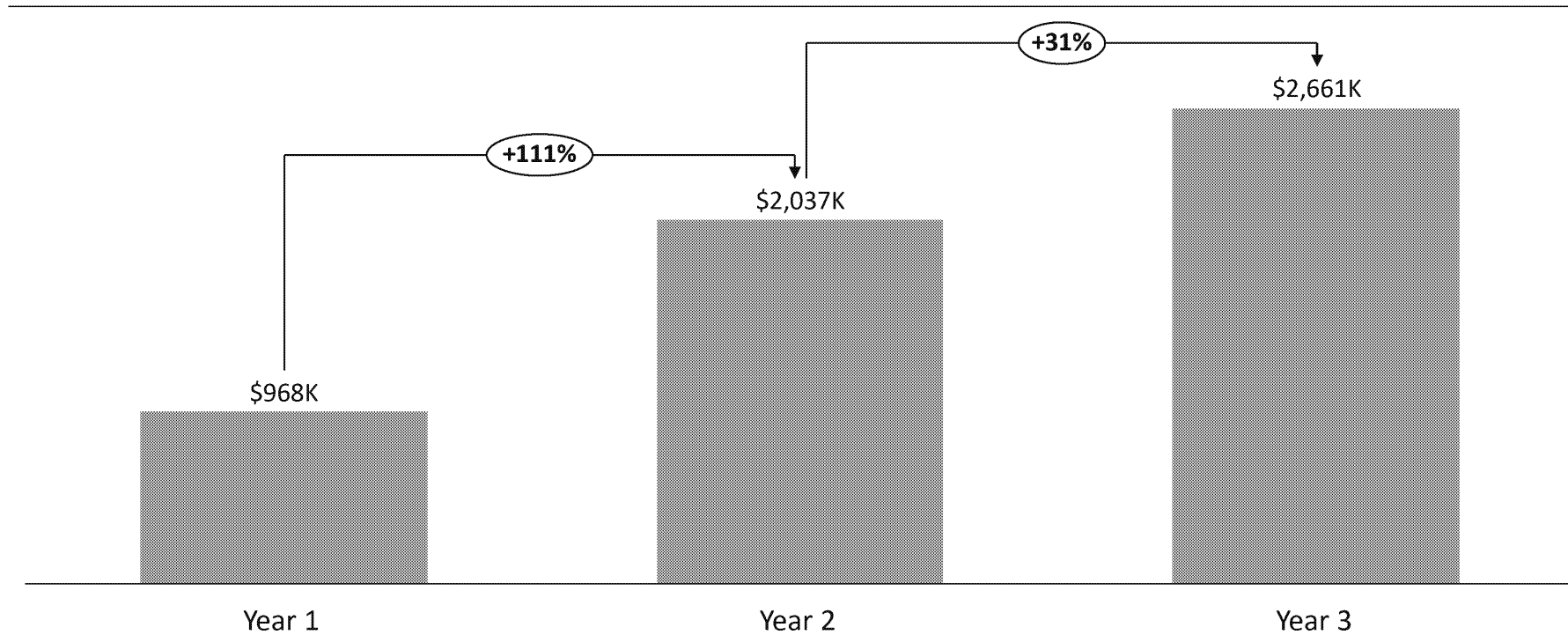


## IMPACT DIRECTOR SALES PER YEAR (ANNUALIZED)



Experienced IMPACT Directors will be key to continued growth of the IMPACT Program

### Projected Win Value (Annualized) by IMPACT Director

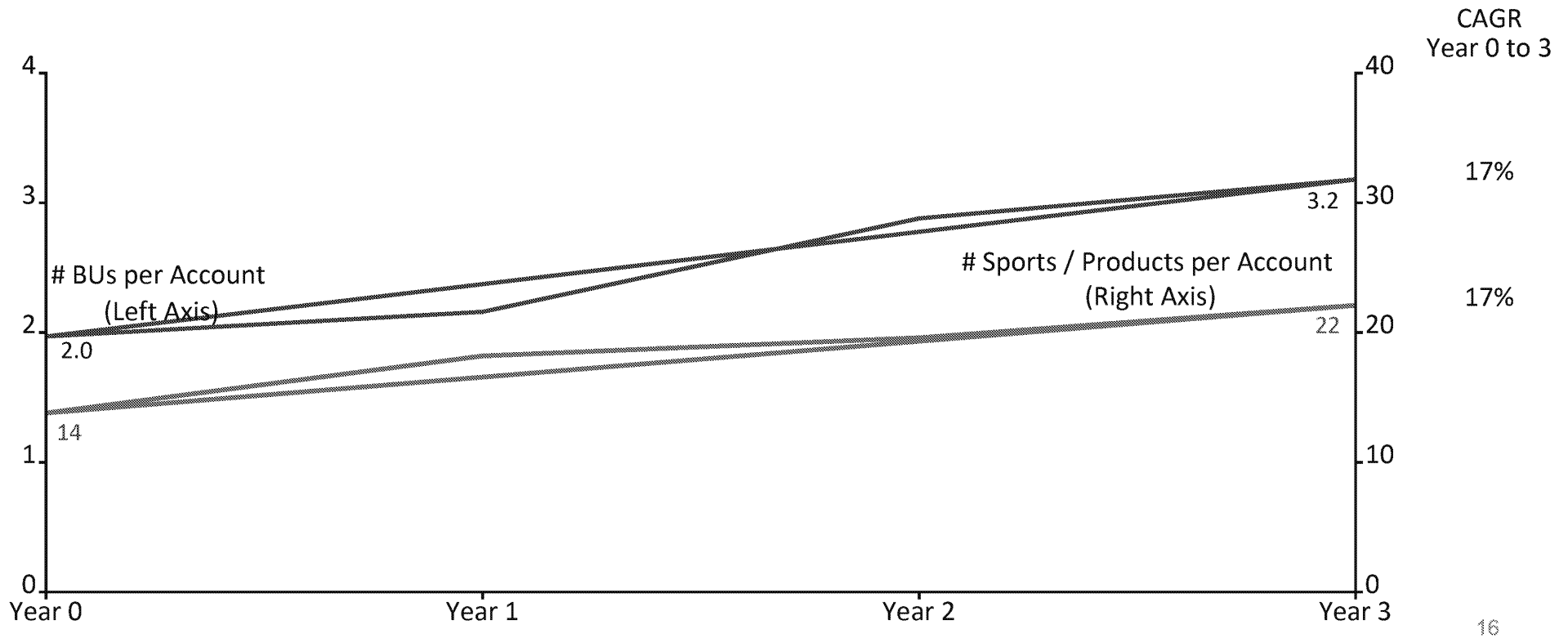


## ACCOUNT GROWTH DRIVEN BY BROADER PENETRATION

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Growing BUs per account from 2.0 to 3.2 and  
# Sports / Products per Account from 14 to 22

### # of BUs and Sports / Products per Account





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## IMPACT CASE FOR GROWTH



## KEY GROWTH INITIATIVES / ASSUMPTIONS

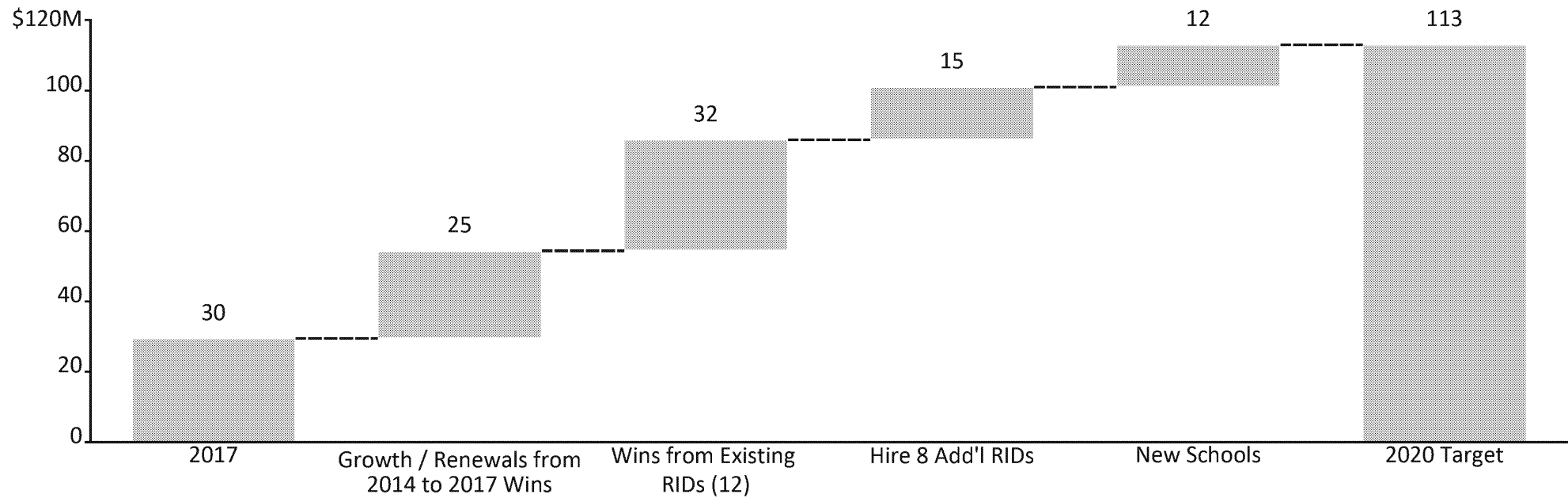


Opportunity / Strategic Initiative	Base Case Assumptions (2018-20)	Full Potential Assumptions (2018-20)
<ul style="list-style-type: none"> <li>Existing Account Growth</li> </ul>	<ul style="list-style-type: none"> <li>90% renewals</li> <li>0% Account Growth beginning in Year 4</li> </ul>	<ul style="list-style-type: none"> <li>Add <b>School Engagement Manager</b> (Hunter / Farmer approach)</li> <li>Same assumptions as Base Case, plus: <ul style="list-style-type: none"> <li>- 7% growth beginning in 2018 for all IMPACT accounts</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>Expand Reach</li> </ul>	<ul style="list-style-type: none"> <li>Add 8 IMPACT Directors over 3 years</li> <li><b>Incremental 350 wins over 3 years</b></li> </ul>	<ul style="list-style-type: none"> <li>Add additional 36 IMPACT Directors over 3 years</li> <li><b>Additional 1,900 wins over 3 years</b></li> </ul>
<ul style="list-style-type: none"> <li>Marketing Investments</li> </ul>	<ul style="list-style-type: none"> <li>No lift from Marketing</li> </ul>	<ul style="list-style-type: none"> <li>Generate 110 new wins from investments in Marketing; +\$10 million in 2020 revenue</li> </ul>
<ul style="list-style-type: none"> <li>New School</li> </ul>	<ul style="list-style-type: none"> <li>Open 72 new school accounts</li> <li>\$500K win value (3-Years) / school</li> </ul>	<ul style="list-style-type: none"> <li>Open 120 new school accounts</li> <li>\$500K win value (3 Years) / school</li> </ul>
<ul style="list-style-type: none"> <li>Other Initiative Growth</li> </ul>	<ul style="list-style-type: none"> <li>Lone Star: no benefit</li> <li>ST6: no benefit</li> </ul>	<ul style="list-style-type: none"> <li>Lone Star: Add +\$4M in incremental 2020 revenue</li> <li>ST6: Add +\$7M in incremental 2020 revenue</li> </ul>

## GROWTH OPPORTUNITIES (2017 TO 2020): BASE CASE



IMPACT Revenue (\$M)



# IMPACT FINANCIALS: BASE CASE (IN \$000'S)

**VARSITY BRANDS**

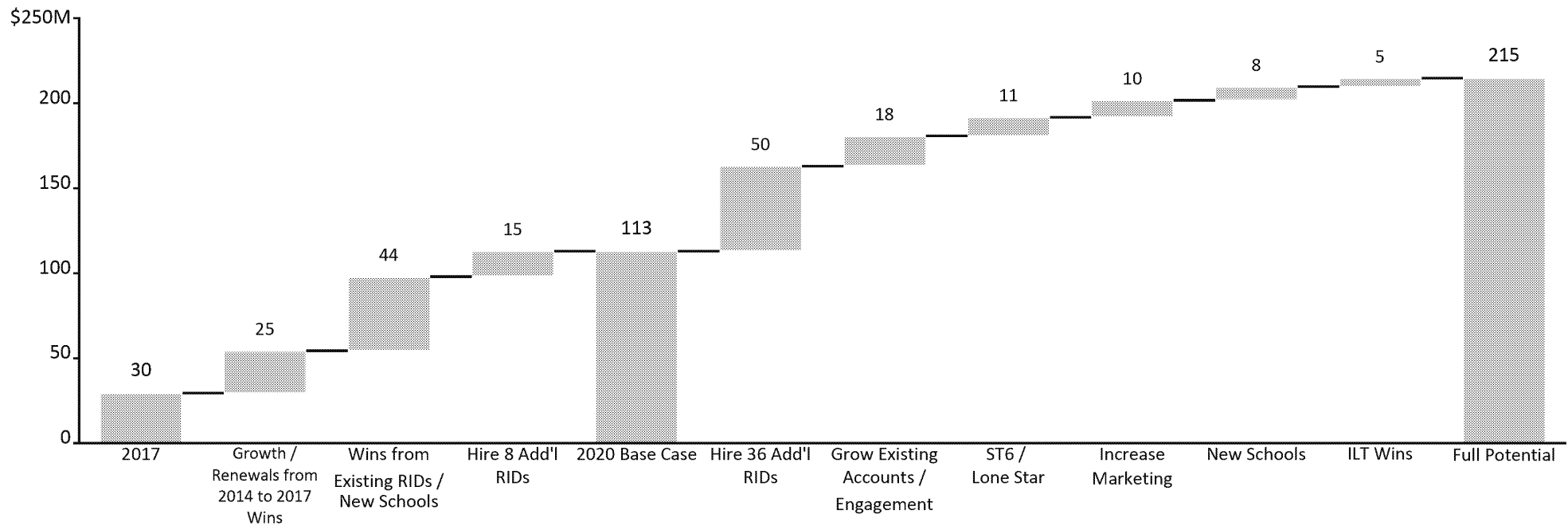
	3-Year Win \$	# Wins	\$ per Win	2014A	2015A	2016A	2017F	2018F	2019F	2020F	Total
<b>2014 Wins</b>	\$ 5,998	17	\$ 353	Year 0	Year 1	Year 2	Year 3				
Incremental Revenue				\$ 1,137	\$ 2,454	\$ 1,953	\$ 2,167	\$ 1,950	\$ 1,950	\$ 1,950	\$ 13,561
Gross Margin - Commission				\$ 275	\$ 706	\$ 528	\$ 603	\$ 571	\$ 571	\$ 571	\$ 3,827
<b>2015 Wins</b>	\$ 26,819	109	\$ 246		Year 0	Year 1	Year 2	Year 3			
Incremental Revenue					\$ 2,128	\$ 5,375	\$ 6,423	\$ 8,682	\$ 7,814	\$ 7,814	\$ 38,236
Gross Margin - Commission					\$ 612	\$ 1,454	\$ 1,787	\$ 2,544	\$ 2,289	\$ 2,289	\$ 10,976
<b>2016 Wins</b>	\$ 60,168	270	\$ 223			Year 0	Year 1	Year 2	Year 3		
Incremental Revenue						\$ 8,641	\$ 12,247	\$ 17,836	\$ 20,009	\$ 18,008	\$ 76,741
Gross Margin - Commission						\$ 2,338	\$ 3,408	\$ 5,226	\$ 5,862	\$ 5,276	\$ 22,110
<b>2017 Wins</b>	\$ 82,300	305	\$ 270				Year 0	Year 1	Year 2	Year 3	
Incremental Revenue							\$ 8,663	\$ 17,142	\$ 23,221	\$ 26,623	\$ 75,650
Gross Margin - Commission							\$ 2,411	\$ 5,023	\$ 6,804	\$ 7,800	\$ 22,037
<b>2018 Wins</b>	\$ 87,917	352	\$ 250					Year 0	Year 1	Year 2	
Incremental Revenue								\$ 10,652	\$ 18,312	\$ 24,806	\$ 53,770
Gross Margin - Commission								\$ 3,121	\$ 5,365	\$ 7,268	\$ 15,754
<b>2019 Wins</b>	\$ 99,092	422	\$ 235						Year 0	Year 1	
Incremental Revenue									\$ 12,006	\$ 20,640	\$ 32,646
Gross Margin - Commission									\$ 3,518	\$ 6,047	\$ 9,565
<b>2020 Wins</b>	\$ 108,167	492	\$ 220							Year 0	
Incremental Revenue										\$ 13,106	\$ 13,106
Gross Margin - Commission										\$ 3,840	\$ 3,840
<b>Total</b>	<b>\$ 470,460</b>	<b>1,966</b>	<b>\$ 239</b>								
<b>Incremental Revenue</b>				\$ 1,137	\$ 4,582	\$ 15,969	\$ 29,500	\$ 56,263	\$ 83,312	\$ 112,947	\$ 303,710
<b>Gross Margin - Commission</b>				\$ 275	\$ 1,318	\$ 4,320	\$ 8,209	\$ 16,485	\$ 24,410	\$ 33,093	\$ 88,110
<b>Margin</b>				24.2%	28.8%	27.1%	27.8%	29.3%	29.3%	29.3%	29.0%



## GROWTH OPPORTUNITIES (2017 TO 2020): FULL POTENTIAL



IMPACT Revenue (\$M)



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# IMPACT FINANCIALS: FULL POTENTIAL (IN \$000'S)

**VARSITY BRANDS**

	3-Year Win \$	# Wins	\$ per Win	2014A	2015A	2016A	2017F	2018F	2019F	2020F	Total
<b>2014 Wins</b>	\$ 5,998	17	\$ 353	Year 0	Year 1	Year 2	Year 3				
Incremental Revenue				\$ 1,137	\$ 2,454	\$ 1,953	\$ 2,167	\$ 2,168	\$ 2,410	\$ 2,679	\$ 14,968
Gross Margin - Commission				\$ 275	\$ 706	\$ 528	\$ 603	\$ 635	\$ 706	\$ 785	\$ 4,239
<b>2015 Wins</b>	\$ 26,819	109	\$ 246		Year 0	Year 1	Year 2	Year 3			
Incremental Revenue					\$ 2,128	\$ 5,375	\$ 6,423	\$ 9,652	\$ 9,657	\$ 10,735	\$ 43,970
Gross Margin - Commission					\$ 612	\$ 1,454	\$ 1,787	\$ 2,828	\$ 2,829	\$ 3,145	\$ 12,656
<b>2016 Wins</b>	\$ 60,168	270	\$ 223			Year 0	Year 1	Year 2	Year 3		
Incremental Revenue						\$ 8,641	\$ 12,247	\$ 19,828	\$ 23,090	\$ 23,102	\$ 86,909
Gross Margin - Commission						\$ 2,338	\$ 3,408	\$ 5,810	\$ 6,765	\$ 6,769	\$ 25,089
<b>2017 Wins</b>	\$ 82,300	305	\$ 270				Year 0	Year 1	Year 2	Year 3	
Incremental Revenue							\$ 8,663	\$ 19,057	\$ 25,814	\$ 29,597	\$ 83,131
Gross Margin - Commission							\$ 2,411	\$ 5,584	\$ 7,563	\$ 8,672	\$ 24,229
<b>2018 Wins</b>	\$ 144,083	576	\$ 250					Year 0	Year 1	Year 2	
Incremental Revenue								\$ 18,003	\$ 34,785	\$ 48,066	\$ 100,854
Gross Margin - Commission								\$ 5,275	\$ 10,192	\$ 14,083	\$ 29,549
<b>2019 Wins</b>	\$ 250,902	1,068	\$ 235						Year 0	Year 1	
Incremental Revenue									\$ 31,350	\$ 60,573	\$ 91,923
Gross Margin - Commission									\$ 9,185	\$ 17,748	\$ 26,933
<b>2020 Wins</b>	\$ 320,247	1,456	\$ 220							Year 0	
Incremental Revenue										\$ 40,014	\$ 40,014
Gross Margin - Commission										\$ 11,724	\$ 11,724
<b>Total</b>	<b>\$ 890,517</b>	<b>3,801</b>	<b>\$ 234</b>								
Incremental Revenue				\$ 1,137	\$ 4,582	\$ 15,969	\$ 29,500	\$ 68,708	\$ 127,106	\$ 214,767	\$ 461,769
Gross Margin - Commission				\$ 275	\$ 1,318	\$ 4,320	\$ 8,209	\$ 20,131	\$ 37,241	\$ 62,925	\$ 134,420
Margin				24.2%	28.8%	27.1%	27.8%	29.3%	29.3%	29.3%	29.1%

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HERT JONES  
A Varsity Achievement Brand

  
VARSITY  
SPIRIT

  
BSN SPORTS™  
A Varsity Sport Brand

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**IMPACT**  
PROGRAM

## STATUS UPDATE ON CURRENT PRIORITIES



## IMPACT LEADERSHIP TEAM



**Goal:** Effectively **leverage greatest asset (sales force)** in methodical approach to market

**The Team:** 37 **elite influencers** across the country and enterprise nominated by RID and approved by BU/CEO

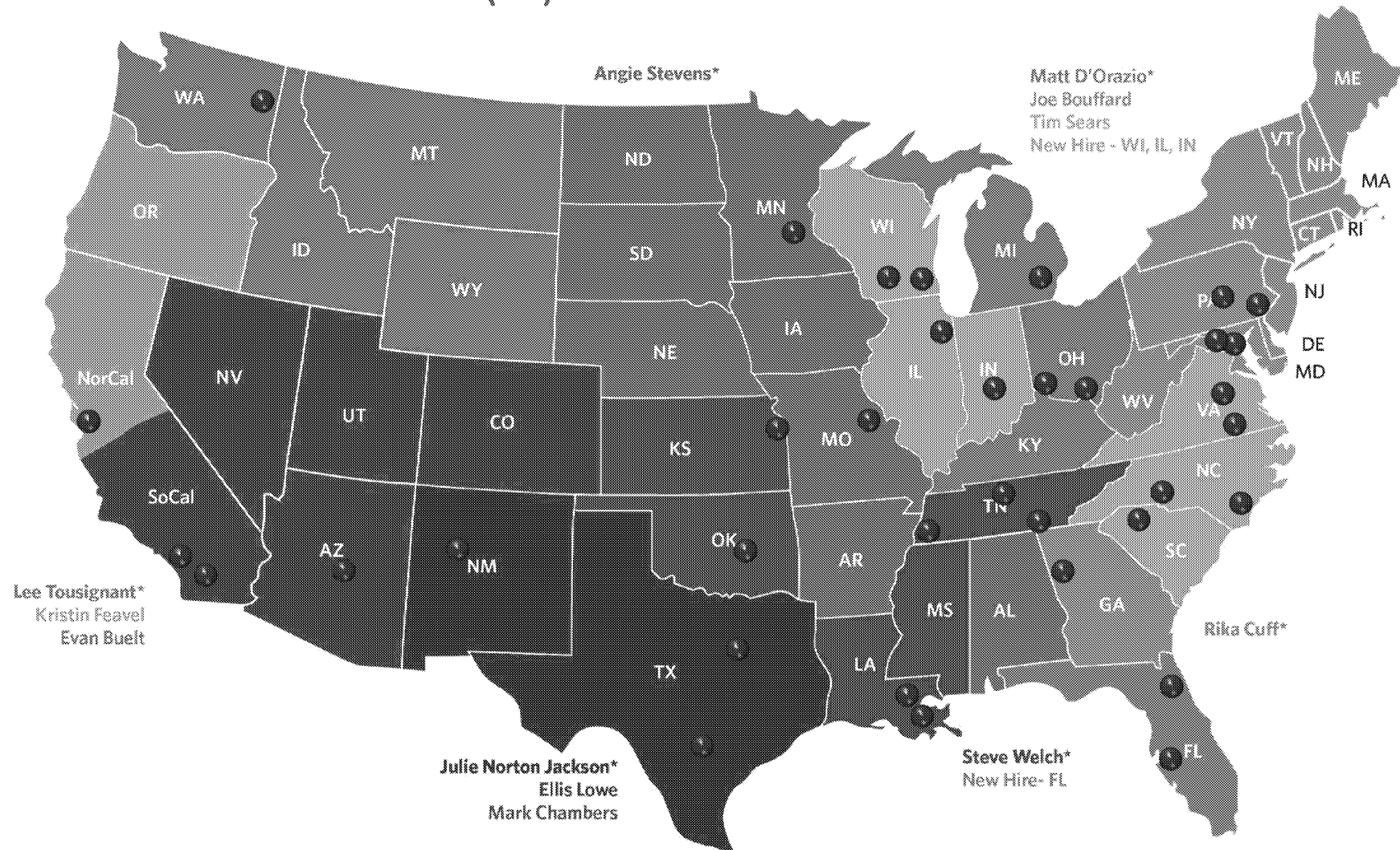
**Credentialing Process** includes home study, field travel, weekly discussion calls and will culminate in team training in Orlando, Nov 3<sup>rd</sup>.

### **Activation:**

- ILT will **champion the IMPACT program** within their BU to drive collaboration
- RID will **create territory plan, rules of engagement and direction for new business development** for the state/area
- RID and ILT will identify **3 target accounts** for ILT to pursue for their BU utilizing IMPACT “exclusive resources”
- **ELEVATE items can be used freely** as cross-over is rare and low-risk
- RID will be **responsible for tracking in SFDC and logistics of delivering** value add programs
- **Utilize identity branding more broadly** to secure business for each division in organized, surgical approach
- ILT will serve as ambassadors and **tell the Varsity Brands story**



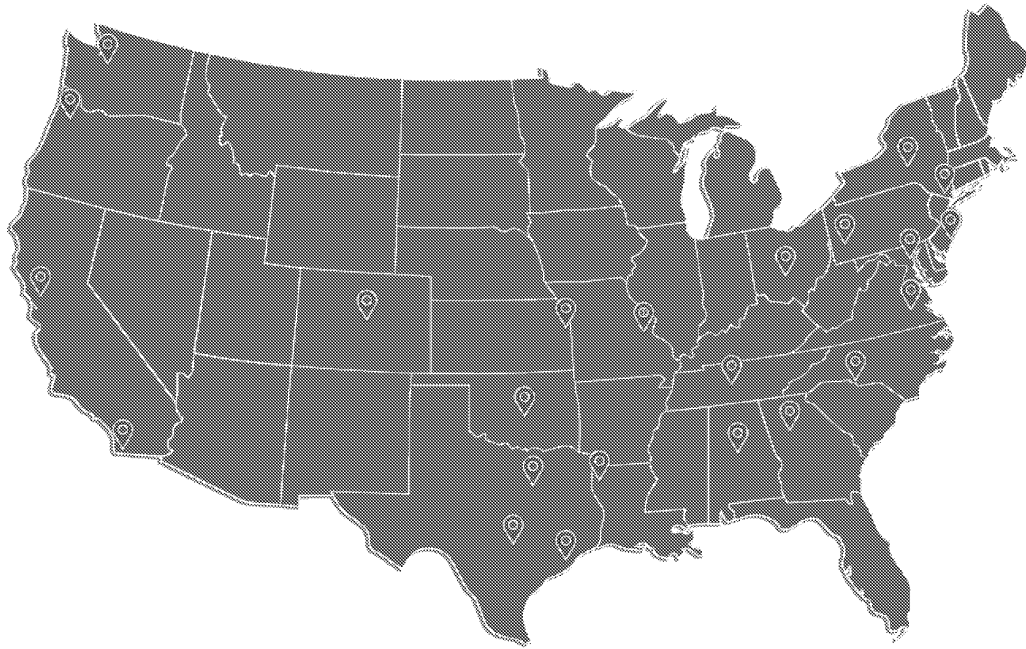
**Varsity Brands**



## OPERATION GROUNDSWELL



- Conducted 23 Groundswell meetings across the country
- Over 750 reps, managers, executives attended
- Goal: To bring together intracompany reps in social environment to network, hear about future of Varsity Brands and to identify accounts to leverage existing relationships



9/19 - Shreveport, LA

9/20 - Kansas City, KS

9/20 - Birmingham, AL

9/21 - Richmond, VA

9/23 - Columbus , OH

9/24 - San Diego, CA

9/25 - Dallas, TX

9/25 - Napa, CA

9/26 – St. Louis , MO

9/26 - Oklahoma City, OK

9/27 - Atlanta, GA

9/27 - Portland, OR

9/28 - Charlotte, NC

9/28 - Denver, CO

9/28 - Tukwila, WA

9/29 - Towson, MD

10/2 - Austin, TX

10/5 - Houston, TX

10/10 - Nashville, TN

10/16 - Pittsburgh, PA

10/17 - White Plains, NY

10/19 - Long Beach , NJ

10/23 - Cooperstown, NY









## IMPACT VALUE ADD PROGRAMS

### Current Value Proposition:



Identity & Facility Branding



Spirit Works (*NEW in 2017*)



SuperFan (*NEW in 2017*)



Believe in You



Varsity University

### Additional Value Propositions:

- Fundraising
- Fan Shop
- Loyalty Program
- Sponsorships
- Marketing Partnership
- Ticketing
- Administrator Consulting
- Student Engagement App

## OUTBOUND MARKETING: VIP BRANDING EXAMPLE

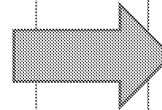
VIP Branding “Landing Page” for Lead GenerationGoogle Pay Per Click Ad

School Logo Designs - Unique Mascots &amp; Branding

Ad www.vipbranding.com/ ▼

Custom professional branding exclusively for schools. 30+ years experience.

Current Mascots · Create Your School Logo · Mascot Creation · Why You Need Branding



**VIP Branding**

About VIP Branding · Branding Services · Our Products · Portfolio · Contact Us

**Custom Professional Branding Exclusively for Schools**

READY TO IGNITE SCHOOL PRIDE in your students, faculty and community? VIP Branding is ready to help.

Our team will make the first impression of your school a strong one, beginning with a unique mascot and logo. Through partnership with VIP Branding, we will provide official art files, a brand guide and design on how to use our facility branding products to transform your campus with your new brand. There's no better time to UNLEASH THE POTENTIAL IN YOUR SCHOOL!

Fill out the form to get started!

**Design Your School Logo Today**

School Name or Organization \*

Email \*

Phone

Message

Submit

**Investment: \$1.3K** (3,500 Clicks @ \$0.36 Cost per Click)**Benefits:** 12,000 Impressions + 132 Leads + 2 IMPACT Wins for **\$208K** (3-Year Win Value)



## OUTBOUND MARKETING: VIP BRANDING EXAMPLE (CONT')



### **First Win Generated from PPC Campaign:**

- Kennedy High School (Chicago, IL) is an inner city school built in the 40's
- Need to enhance visual appeal and losing students to private schools
- Started new international bachelorette program to help improve image and grow enrollment
- School is existing Herff Jones Yearbook customer, but does not do business with BSN SPORTS, Herff Jones Scholastic and Varsity Spirit
- Sept 3<sup>rd</sup>: School responded to Pay-Per-Click ad and was directed to new IMPACT landing page
- Sept 12<sup>th</sup>: IMPACT presentation by RID Angie Stevens
- Oct 6<sup>th</sup>: Signed \$105K (annual) agreement securing business for BSN, Herff Jones Scholastic and Varsity Spirit